

~~SECRET~~

10 December 1985

MEMORANDUM FOR THE RECORD

SUBJECT: 10 December 1985 HPSCI Briefing

Congressmen Present: Dwyer, Brown, Daniel, Kastenmeier, Beilenson,
Stokes, Hamilton, Stump, Hyde

Congressmen Absent : McHugh, Roe, McCurdy, Ireland, Cheney, Livingston,
McEwen

Staff : Eight present

The briefing segment addressed the following topics:

- Cubans in Nicaragua (Kerr)
- Maltese Handling of Egyptair Hijacking
- Libyan SA-5 Update (Kerr)
- Philippine Election Update (Kerr)
- Terrorism in Europe (Kerr)

25X1

Congressmen asked the following questions:

Hamilton --Aside from raw numbers this year, what is the trend in Cuban personnel and activity in Nicaragua? (Clearly up from 1984 but not a sharp rise.)
--How many Cubans are non-military? (About 4000.)
--Of 200 terrorist incidents in Europe, how many directed at US persons or facilities? (About 50 percent.)

Stump --Where did guerrillas get SA-7s? (Grey market purchases.)

--What do we know about Marcos' running mate?

25X1

25X1

Hyde --Asked that Agency be aware of Commentary article on the New Peoples' Army in the Philippines.

--What is Mrs. Aquino's position on US bases? She has stated that she will respect agreements and will decide position when bases up for renegotiation.

Daniel --Made statement that whoever wins election will likely keep bases intact because of economic impact.

--What kind of helicopter was used to carry US troops on standby during Egyptair hijacking? (OLL will provide information.)
What is range of SA-5? (150 miles.)

~~SECRET~~

Page Denied

25X1

BACKGROUND ON HELICOPTER SHOOTDOWN

On 2 December 1985, insurgents from the Nicaraguan Democratic Force shot down a Sandinista Air Force helicopter with an SA-7 missile killing the 14 persons onboard.

25X1

Source of Weapons

- [] the FDN aquired the SA-7s last spring by purchasing them on the international arms market using end-user certificates supplied by Guatemala.
- Our best estimate is that only about 10 missiles were aquired, and that they probably were manufactured in China.
- The missiles came without all the proper test equipment, and the FDN has received only minimal training on their use.
- At least four have been fired previously at Sandinista helicopters, [] but all of them had malfunctioned.

25X1

25X1

Nicaraguan Diplomatic Reaction

The Sandinistas have heavily publicized the event, accusing the US of supplying sophisticated weapons to terrorists, and threatening air safty throughout Central America.

- Nicaragua called its ambassador from the US home for consultations, []
- The Sandinistas requested UN Security Council consultations and sent two Deputy Foreign Ministers to New York Monday to present its case.
- Ortega called for the suspension of Contadora negotiations until May 1986 so that the group can address the issue of US aggression.
- Nicaragua asked the Non-Alligned movement for support and sent a draft resolution condemning the US by name to Rajiv Gandhi.

25X1

25X1

Page Denied

Next 3 Page(s) In Document Denied

Cubans Fighting Contras, Hill Told State Dept. Official Testifies

By Joanne Omang
Washington Post Staff Writer

A Reagan administration official charged yesterday that Cuban troops have taken a combat role in Nicaragua, fighting with Nicaraguan armed forces against U.S.-backed rebels.

Assistant Secretary of State for Inter-American Affairs Elliott Abrams Jr. said he has received "more and more reports" of Cuban military action as part of "a massive Soviet and Cuban intervention" in Central America.

"We may be seeing Cubans move into a combat role on the mainland of North America," he told the House Foreign Affairs subcommittee on Western Hemisphere affairs. Later, he said Congress ought to renew military aid to the rebels, or contras, "or we are going to be seeing a Soviet base in Nicaragua."

Abrams said about 2,500 Cuban military personnel are in Nicaragua acting as advisers "down to very small units of the Nicaraguan army." Last year, the administration put the number of Cubans in Nicaragua at 3,000 military advisers and



ASSOCIATED PRESS

Abrams: Cubans' role in Nicaragua has changed.

6,000 Cuban teachers and construction workers. Abrams also said Cubans "were among the casualties" when the contras, using a Soviet SA7 surface-to-air missile, shot down a government helicopter in northeast Nicaragua Monday.

Other State Department officials said evidence for the expanded Cuban role came from intelligence reports and sightings by contra troops.

[Last night, the Nicaraguan government charged that the Reagan administration has brought the Central American conflict to "previously unknown levels" by providing the rebels

See CUBANS, A35, Col. 1

Sandinista Hem In C Copters Cut Re

By Edward
Washington Post

SANTO DOMINGO, began when a 300-man force sneaked over a gr fire with rifles, mortar grenades on a company, defending this mining town.

It ended two hours later. Mi8 and Mi24 helicopter unleashed a spray of machine guns that routed the rebel dead, by the Sandinistas.

The brief combat here, tales province, describes who participated and civil it, was only one of many four years. But it goes the recent course of waged by U.S.-backed Sandinista government.

The Popular Sandinista

NICARAGUA

INSIDE



UNITED PRESS INTERNATIONAL

James M. Beggs tells NASA employees he expects to be cleared of fraud charges. His replacement, William Graham, is at right. Story, Page A16.

Regan Denies Ouster

■ White House chief of staff Donald T. Regan denied that he forced national security affairs adviser Robert C. McFarlane to resign, and the White House sought to limit damage caused by stories of

South African Reform

■ In one of a series of moves to modify apartheid, South Africa announced yesterday that it will allow blacks to buy land in segregated townships where they live. Page A29

Probe Is Sought Of Justice Dept. In EPA Dispute

By Howard Kurtz
and Mary Thornton
Washington Post Staff Writers

The House Judiciary Committee called for independent counsel yesterday to investigate charges that several administration officials lied or acted improperly three years ago in withholding documents wrongdoing at the Environmental Protection Agency.

The panel released a 12-page report that provides fresh evidence for allegations that administration officials misled Reagan, Congress and court in withholding such EPA documents from House investigators in 1982 and 1983.

Handwritten notes, for show that then-Solicitor Rex E. Lee warned that the 90 percent chance that the Department would lose against the House in the

UNDAY 12/8/MA
ner of Col. Pk. &
ke (1 mile east of
allows Rd. Bel
e. (Upper Georg
1 1/2 miles S. Be

me
family

In addition, Congress had renewed the U.S. aid to the Contras. But the rebel leadership hoped that the accompanying political endorsement would help bring in other money to pay for enough guns and bullets to end the relatively inactive

trade. The Defense Ministry here investigation that an anti-aircraft fire, probably an SA7 missile, with the loss of 14 soldiers.

Although the Sandinistas have lost helicopters previously, the

Command of the Nicaraguan Army Chief of Staff Joaquin Cuadra, in an assessment confirmed by other military sources, said the rebels in this area appear to have two objectives. The first, an-

Honduras because two months ago it seized a plane load of U.S. supplies. [The Associated Press quoted a U.S. Embassy spokesman as saying the aid was held up because Honduras has not met certain economic conditions for its release.]

Cubans Now Fighting Contras, U.S. Aide Says

CUBANS, From A1

with anti-aircraft missiles, Washington Post correspondent Edward Cody reported.

[Deputy Foreign Minister Victor Hugo Tinoco announced that Nicaragua was recalling its ambassador in Washington for consultations and seeking a meeting of the U.N. Security Council to protest what he called "a new step" in U.S. support for rebel forces.]

A Nicaraguan Embassy political officer here denied that Cubans are fighting in Nicaragua and said Abrams was "making it up" about Cuban casualties in the helicopter incident. A defense ministry communique Tuesday said 14 persons died in the crash of a Soviet Mi8 transport helicopter but denied that Cubans were aboard.

Manuel Cordero of the Nicaraguan Embassy said warnings about a Soviet military base are "an attempt to raise the Soviet-Cuban specter to scare Congress into funding the contra program." He said 700 to 800 Cuban military advisers are in Nicaragua and described them as "not enough to be involved with small units."

Subcommittee Chairman Michael D. Barnes (D-Md.) released the text of a letter from the General Accounting Office on its unsuccessful efforts to meet with State Department officials for an audit of the \$27 million program of humanitarian aid approved by Congress last summer for the contras.

Abrams said some of the program involves classified material not authorized for release to the GAO. He also refused to discuss publicly the reported halt in aid shipments to the contras' bases in Honduras, which does not formally recognize their presence.

"That is an inappropriate question," Abrams said. "If this program is displeasing to you, it's not exactly the greatest program in the world from our point of view either," he said. The administration has argued that the overt aid program is almost unworkably complicated as dictated by Congress.

Asked whether trucks supplied under the humanitarian aid program could be used to transport weapons, he said that there is "absolutely no

prohibition on the use of those trucks" in the law but that he had asked the House and Senate intelligence committees to advise him on the matter.

Abrams also acknowledged that the contras have committed human rights abuses but said they "are really beginning to deal with them now in a very serious way."

Later, he told a House Banking, Finance and Urban Affairs subcommittee that "the ice is cracking a little bit" in the Chilean human rights situation.

He responded sharply to Democrats' charges that he has been soft on Chile and has ignored the law in failing to notify Congress of renewed U.S. support for international bank loans to Chile.

"This is a strange hearing," Abrams said. "These are the same damn accusations" the administration received regarding its loan policy toward Argentina, which subsequently became democratic, he said. "The purpose of the policy is not to express outrage but to achieve change."

Not everyone can explore the music you simply won't receive FREE 6 piece FREE Music Kit fill Listed below is a

Technics, Model E
Kimball, Model E1
Lowrey Genius 1C
Kawai, Model KX
Kawai, Model 23C
Kimball, Model E1
Kawai, Model 43C
Lowrey Genius 2C

Holiday Gift Ideas!

Over 1,000 piano quality, service a Kitt's Music is a your piano shop list. Choose from over 300 styles and finishes.

Kawai 5'1" Grand only \$6,999
Ebony Polish
SAVE \$1,000

New Spinet

CHRISTMAS SURPRISES
IN ALL THE RIGHT SIZES

SUITS • SPORTCOATS

38T-56T; 42-66

SLACKS

34T-52T; 40-66



MIRRORS

HOLIDAY SALE

60"x80" \$169 Del. & Installed
4 SECTIONS

72"x80" \$259 Delivered and Installed
4 Section Simplicity Mirror

80"x80" \$279 Delivered and Installed
4 Section Simplicity Mirror



SECRET

25X1

Talking Points for the ADDI

9 December 1985

Egypt: A Post-mortem of the Hijacking

President Mubarak has curbed opposition criticism of the bloody rescue operation, but may have unduly raised public expectations that those responsible--particularly Libya--will be punished. Libyan leader Qadhafi, meanwhile, may be encouraged by Cairo's inaction to continue attacks against Egyptian interests.

25X1

President Mubarak preempted opposition leaders by meeting them on 28 November in a show of national unity. A quickly-staged Peoples' Assembly debate on 30 November produced a resolution backing the government's actions, and shoved aside opposition calls for a "commission of inquiry" into the facts behind the hijacking and subsequent commando operation.

- The opposition dropped its attacks on the leadership--particularly Defense Minister Abu Ghazala--and focused instead on criticism of the media for initial exaggerated claims of "success" in the bloody rescue operation.
- The opposition leaders probably eased their criticism of the Defense Minister because they did not want to provoke the influential military establishment.

25X1

Opposition leaders, reflecting what US Embassy officials believe is a widespread public opinion, say they also believe Qadhafi probably sponsored the hijacking. They hold, however, that Egypt and the US should get rid of him personally and not launch a retaliation that would result in the loss of more innocent lives.

25X1

A limited punitive strike against Libya now appears ruled out. Egyptian troops are returning to garrison, and the military alert, probably calculated to make Qadhafi nervous, did not have the intended effect: Libya's military response to the Egyptian "buildup" involved only minor defensive measures, and Qadhafi subsequently left the country on a tour of West Africa.

25X1

Radical regimes in the region will certainly portray Egypt as a tool of the US and Israel in heating up tensions with Libya, but moderate Arab states will continue to support Cairo.

- We have indications that North Yemen has decided to reopen diplomatic relations with Egypt.

25X1

SECRET

SECRET

25X1

Revelations of "US involvement" in the commando operation may prove to be embarrassing to Egypt--fueling accusations that it is a US surrogate--but are not likely to damage US-Egyptian relations. [REDACTED]

25X1

Recent terrorist incidents in the region have had a damaging effect on Egypt's tourism sector, leading Egyptian officials to worry openly about "economic terrorism" that is robbing Egypt of badly needed hard currency revenues. [REDACTED]

25X1

SECRET
[redacted]

25X1

Talking Points for ADDI
6 December 1985

ISRAEL: Impact of Spy Scandal

The Pollard spy scandal is unlikely to have a major effect on the national unity government unless the Israeli investigation implicates senior political figures. So far the affair has united the coalition leadership in a common front against US political pressure.

- Prime Minister Peres, Defense Minister Rabin, and Likud leader Shamir are cooperating closely in investigating the affair.
- Israeli media reports suggest some political figures are trying to exploit the issue to unravel the unity coalition, however; officials with Labor party connections are seeking to trace the scandal back to previous Likud governments, and officials identified with Likud are attempting to implicate top Labor party leaders. [redacted]

25X1

Senior Labor and Likud leaders want to play down the spy scandal so as not to upset the unity coalition and thus may not carry out a thorough investigation.

- Peres has acute memories of the "Lavon affair"--a crucial intelligence mishap in 1954 involving sabotage operations in Egypt--which racked Israeli politics for a decade, split Labor ranks, and helped to bring down two Labor governments. Peres was Director General of the Defense Ministry at the time, and although he was not implicated in any way, his political career was upset for several years as a result.
- Peres almost certainly assumes that he would have little public support for breaking up the coalition over the current scandal unless revelations directly link former Prime Minister Begin, Shamir or another senior Likud figure to the operation. [redacted]

25X1

Peres, however, would also like to avoid blaming only the intelligence services, thus preventing a situation similar to that caused by the Agranat Commission's investigation into the outbreak of the 1973 Arab-Israeli war. Morale and public confidence in the military were sharply eroded when that commission blamed the military for Israel's lack of preparedness and largely ignored mistakes made by the political leadership.

- Peres may feel compelled to sacrifice some low-level political officials to stave off the serious damage to the intelligence services that would likely occur if only intelligence officials were found culpable. [redacted]

25X1
25X1SECRET
[redacted]

Talking Points for the ADDI

6 December 1985

Libya: SA-5 Delivery

[redacted] SA-5 surface-to-air
missile equipment has been delivered to Libya.

25X1

25X1

25X1

25X1

25X1

25X1

25X1

we believe Tripoli has received sufficient equipment for as many
as two SA-5 complexes involving six launches each.

--

25X1

25X1

25X1

We believe that it will take Tripoli approximately six
months to a year to develop an operational SA-5 capability.

25X1

25X1

SECRET

DISTRIBUTION:

INTERNAL:

1 - ADDI
1 -
1 -
1 -
1 - OGI/GD
1 - SOVA/TWAD
1 - NIO/NESA
1 - D/NESA
1 - NESA/AI
1 - NESA/AI/M

25X1

DDI/NESA/AI/ 6Dec85

25X1

Talking Points for DDCI
5 December 1895

Libya: The SA-5 Threat

[redacted] SA-5 surface-to-air missiles were delivered to Libya in November. When operational, the missiles will provide Libya with its first land-based capability to shoot down aircraft well beyond its claimed airspace.

25X1

- The SA-5 can hit targets 150 nautical miles away, more than five times farther than any other Libyan SAM.

25X1

It is likely that Qadhafi will establish a site near Misratah and another near Benghazi.

- These sites could provide coverage of 80% of the Libyan population and 85% of the Libyan coast.
- They would also provide overlapping coverage of the Gulf of Sidra, a high priority for Qadhafi ever since two Libyan fighters were shot down there in August 1981.

We anticipate that the Soviets will not operate these sites, in contrast with their control for two years of SA-5 sites in Syria.

- Soviets have never before manned weapons for the Libyans.
- Moscow will want to disassociate itself from Qadhafi's use of the missiles in the event of a shootdown of a US aircraft.
- Soviet advisors and technicians will provide technical support, however, as they have with every other Soviet-built weapon in Libya.

An operational SA-5 capability is not likely to be established in Libya for a year.

25X1

- [redacted]
- Comprehensive training and integration of the sites into the Libyan air defense network probably will take at least that long.

25X1

-- The start-up time could be shortened to six months: if the training of Libyans began much earlier than last spring, as suggested by our reporting; if site construction is well along but has not yet been identified [redacted]; or if Syrian technicians help man the sites.

25X1
25X1

We believe Qadhafi purchased the SA-5s mainly out of fear of the US Sixth Fleet, but will be very careful in using them against US aircraft.

- He probably hopes coastal sites will deter US flights near his shores, particularly in the Gulf of Sidra, which his image requires him to protect.
- We believe he will use them defensively:
 - against any US aircraft over Libya proper;
 - against any US military aircraft approaching Tripoli, Benghazi, Misratah, or Sirte rapidly and without warning;
- We believe he will use them offensively only if he perceives little risk of a sharp US retaliation. Even then he is not likely to give standing offensive orders, but will carefully choose a vulnerable military aircraft, such as a US reconnaissance plane, which he can claim was threatening Libya.

25X1

The Philippines: Recent Election Developments

Campaigning is beginning for the 7 February presidential election. Potential candidates for president and vice president must file their bids by Wednesday.

- The ruling KBL party meets tomorrow to name Marcos its presidential standardbearer--but the vice presidential position can be left vacant until 21 December, when each party must nominate its complete ticket.
- There is no clear sign that Marcos has settled on a running mate yet, but his closest advisers--including Imelda Marcos--clearly want him to avoid selecting a bona fide successor. Press speculation is that vice presidential bids will be filed by Labor Minister Ople, Prime Minister Virata, Minister of Local Government Rono, former Foreign Minister Tolentino, and industrialist Eduardo Cojuangco, among others, giving Marcos a large number of potential running mates.

The moderate opposition, meanwhile, has been unable to forge a unified ticket. Last-minute squabbling between Corazon Aquino and Salvador Laurel scuttled last Sunday's planned announcement of a joint ticket headed by Aquino.

- Plans for the ticket under a coalition UNIDO-Laban party came unglued when Laurel insisted that the joint ticket run under his UNIDO party.
- Although efforts to reconcile the two opposition camps continue, Laurel announced yesterday that he was filing a bid for president as UNIDO's candidate. Meanwhile, vice presidential bids have been filed by Liberal Party leader Jovito Salonga and PDP-LABAN politicians Nene Pimentel and Ramon Mitra.
- If Aquino's campaign snowballs--and Laurel's supporters bolt UNIDO, as some are threatening to do--Laurel could become irrelevant to the campaign.

The US bases are unlikely to be a major issue in the campaign, but the candidates continue to play the matter for the US audience.

- Aquino's recent statements that she would respect the existing bilateral bases agreement and could not predict what position she might take in future negotiations reveals a new degree of flexibility, according to our Embassy. Last year, Aquino joined nine leading opposition politicians in a platform that "foreign military bases on Philippine territory must be removed.
- Laurel refused to sign the opposition platform, arguing instead that the bases issue should be resolved through a national plebiscite to be held in 1991. Recent public opinion polls indicate overwhelming support for continuation of the bases.
- Statements by Marcos to the effect that he would extend the Agreement past its scheduled expiration date in 1991 are intended to quiet critics here.

Meanwhile, following General Ver's reinstatement as Armed Forces Chief of Staff, Marcos has announced a major reorganization of the armed forces accompanied by new personnel assignments.

- At least 50 senior officers, including many extended on duty beyond retirement age, could be retired by next April.
- Recent shifts in senior Navy personnel, however, suggest that newly appointed officers will be Ver loyalists.
- It is still possible that Marcos will soon replace Ver, who is likely to continue to run military affairs as director of intelligence.

25X1

Talking Points: Growing Pressures on the Chun Government

A wide spectrum of politically attuned observers in South Korea believe President Chun's government is lurching toward crisis and that chances of avoiding political turmoil have progressively diminished since last summer.

- Thus far, Chun's powerful internal security apparatus, the weakness of his individual opponents, and the reluctance of the military to intervene except in extreme circumstances have worked to control challenges to his authority.
- We believe, however, that the possibility of crisis will increase with the approach of 1988, when Chun has promised to step down, as he appears to lack the flexibility and conciliation needed to ease political tensions and fashion a leadership transition his opponents, the populace, and the Army can accept.

Seoul Taking a Tougher Line

The increased political tension reflects heightened efforts by the Chun government to neutralize antigovernment activists:

- Seoul has greatly expanded the use of the tough national security law. Several hundred persons, mostly student activists, are serving sentences or are under indictment for sedition or lesser political violations.
- Human rights activists report increased abuse of prisoners. 25X1
25X1
- Press censorship has been tightened.

A More Intense Student Challenge

The government's greatest concern is that increasingly radical student activists may galvanize campus moderates and elements of labor into mass antigovernment demonstrations.

- Dissident students have carried out increasingly bold seizures of symbolic targets, including ruling party offices and US facilities.
- Embassy contacts report that while most Koreans do not endorse such tactics, there is widespread sympathy with the students' demands and growing hostility toward Chun.

25X1

Dissension Within the Ruling Camp

Leading establishment figures and elements of the military have expressed growing concern about Chun's inflexibility toward dissent and his isolation behind a phalanx of hardline advisers.

- Criticism of nepotism, corruption and profiteering by the first family is widespread.
- The growing power of hardliner Chang Se Dong, National Security Planning Agency Director, concerns many Army officers as well as government moderates.

According to well-placed Embassy contacts, many in the ruling establishment now believe all signs point toward further consolidation of power by Chun, rather than preparations for a transfer of power in 1988.

- [redacted] Chun is concerned about his safety if he leaves office and is taking steps to ensure continuation of some of his powers beyond 1988.

25X1

Economic Problems Also Mounting

Chun's domestic political difficulties are aggravated by the worst economic slowdown in four years (see chart).

- Thus far the slump has chiefly increased criticism of government policies--including long range market liberalization plans--and perceived US protectionism and pressure for access to Korean markets. An extended slowdown, however, could bring increase labor unrest.

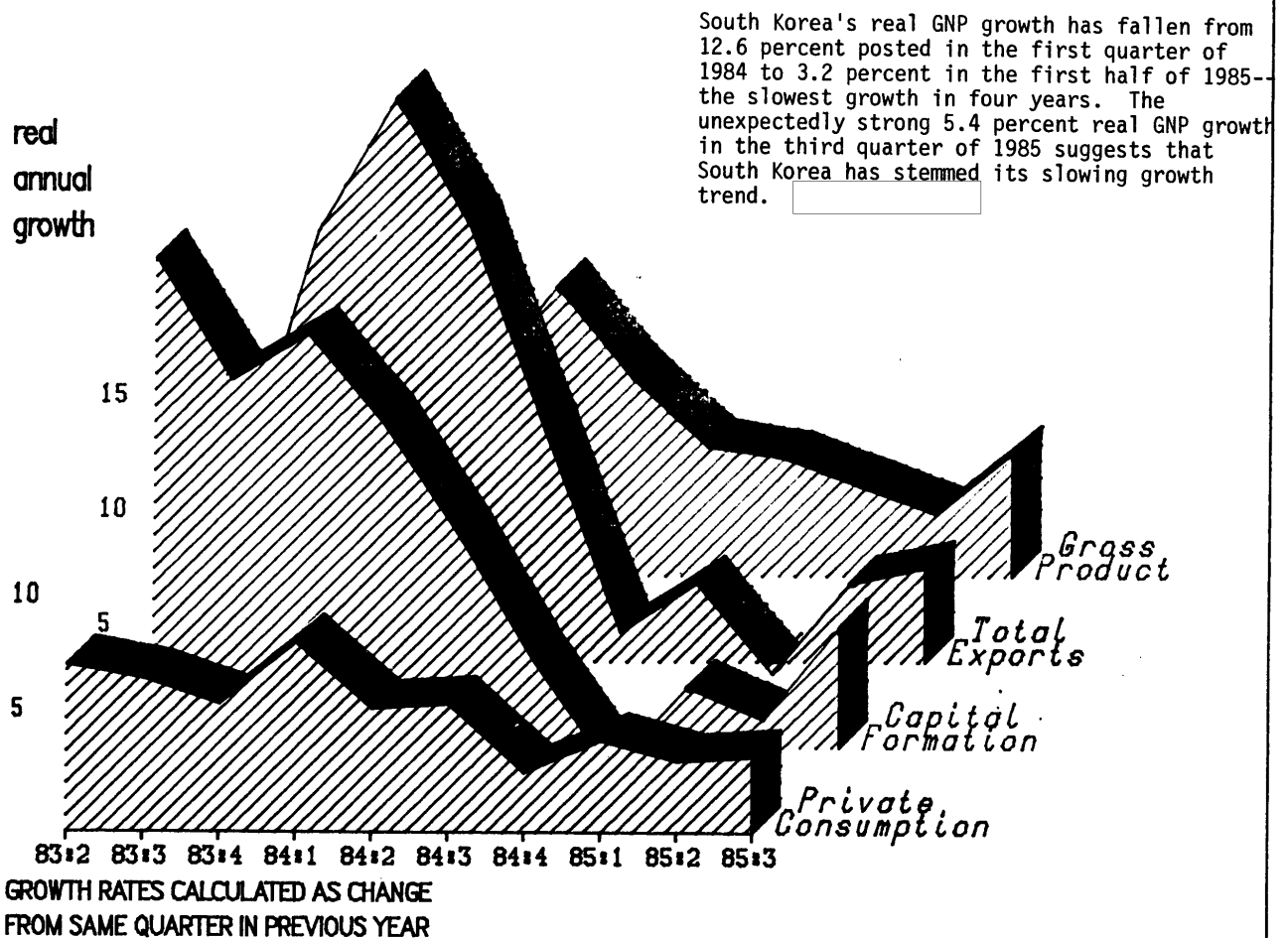
Political Opposition Gearing Up for Eventual Confrontation

The main opposition New Korea Democratic Party, wracked by infighting aggravated by Kim Dae Jung's efforts to outmaneuver his rivals, is not yet ready for an all-out confrontation, but its stance, like the government's, has hardened beyond the point where compromise seems likely.

- Frustrated by Chun's intransigence on reform, the opposition has resorted to disruptive maneuvers to obstruct passage of ruling party legislation.
- The opposition leadership warns it will take its struggle into the streets next spring if the government continues to stonewall on the constitutional reforms to restore direct presidential elections.

25X1

SELECTED GNP ACCOUNTS FOR SOUTH KOREA



25X1

25X1

North Korea-South Korea: Status of the Dialogue

25X1

25X1

The most intensive North-South talks since the early 1970s have reached a plateau, although each side continues to probe the other side for areas of progress.

- Negotiations over a Chun Doo Hwan-Kim Il-song summit are stalled and the pace of overt talks has slowed.

Competing Objectives

25X1

- In our view both Koreas see the US decision in October to grant visas to North Korean academics as a signal of a softer US line toward P'yongyang.

Seoul, on the other hand, is using the dialogue to underscore the existence of two Korean states, as evidenced by its initiative to admit both Koreas to the UN. P'yongyang denounced this South Korean strategy as leading to permanent division of the peninsula.

Summit Stalemate

Seoul has placed hurdles in the way of a summit:

25X1

Chun, in our view, has recalculated the value of a meeting with Kim Il-song. He has favored a summit that could boost his statesman's image at home. Now, however, he may feel a summit

25X1

will complicate rather than alleviate his domestic problems, given complaints he intends to use a meeting with Kim to justify staying in office.

Other Forums

North Korea considers interparliamentary talks the most important, because P'yongyang uses them to project its proposals for a nonaggression pact and a confederation between the Korean states. The South wants to limit efforts to designing a draft constitution for a unified Korea and--ignoring Northern requests to resume them--has told P'yongyang these talks are on ice until after the end of the current South Korean National Assembly session on 18 December.

The North-South exchange of family visits and artistic exhibitions in September marked the highpoint so far in the public talks, but Red Cross talks on 3-4 December adjourned until 26-27 February without agreement on future exchanges.

The two Koreas are no closer to agreement in economic talks, which resume 22 January. South Korea has offered to buy Northern coal and to make other specific trade agreements, but the North insists that trade can come only in conjunction with political progress towards reunification.

Prospects

We believe P'yongyang is growing impatient with Southern summit preconditions and stalling in the interparliamentary forum. Northern media are warning that Seoul's attitude threatens the dialogue as a whole:

- Recent reporting from a North Korean official stationed abroad suggests that a minority of North Korean military and other officials prefer a military to a peaceful approach to reunification.

South Korea may hope the forthcoming US-South Korean joint "Team Spirit" military exercise will frustrate P'yongyang's hopes of driving a wedge between Washington and Seoul. Chinese officials, as well as the North Korean media, have warned the exercise will prompt the North to break off the dialogue at least until after Team Spirit ends.

- We would not rule out a move by Chun to reinvigorate prospects for a summit once he has the public reassurance of the US security commitment implicit in Team Spirit.

25X1

9 December 1985

Talking Points for ADDI for Presentation to HPSCI

Since the beginning of 1985, nearly 200 international terrorist incidents have occurred in Western Europe. Fully one-third of these were directed against US or NATO-related targets. The level of international terrorist activity has been highest, as usual, in West Germany, Spain, Greece, and France.

- o In **West Germany**, sympathizers and hardcore members of the Red Army Faction have carried out more than a dozen attacks against US and NATO-related interests since January. [REDACTED] the Red Army Faction--which has been relatively inactive since the carbombing at Rhein-Main Airbase in August--may be preparing for another major attack. While the group may have had a hand in the November carbombing at the US Army Exchange in Frankfurt, Middle Eastern terrorists are also prime suspects.
- o In **Spain**, most of the terrorist activity continues to be associated with the separatist demands of militant Spanish Basques. The recent spate of killings in the northern province may signal a new terrorist campaign by the military wing of the Basque Fatherland and Liberty. The resurgent violence probably reflects frustration by the terrorists over stalled secret negotiations with Madrid.
- o In **Greece**, the level of terrorist activity so far this year has increased dramatically over that of 1984. One-third of the incidents have been directed against US targets, many in the form of arson and bombing attacks against vehicles belonging to US military personnel in Athens. The People's Revolutionary Struggle and the virulently anti-US 17 November Revolutionary Organization--which was responsible for the murder of two Americans, and an attempt against another--continue to pose high threats to US interests in Greece.
- o In **France**, Action Directe has conducted nearly 20 terrorist attacks so far this year, including the assassination in January of a high-level official in the Defense Ministry. Nearly all of these were directed at domestic political targets. Last week, however, terrorists bombed the office in Versailles of the Central Europe Operating Agency, which monitors the NATO pipeline.

25X1

25X1

Elsewhere in Western Europe, previously unaffected areas have recently been marred by acts of terrorism.

- o In **Belgium**, terrorists have carried out over three dozen attacks in the past year or so. Most of these have been conducted by the Communist Combatant Cells, which surfaced in October 1984 in connection with a series of attacks against NATO and defense-related targets. The group bombed offices of the Motorola company in Brussels on the day of the President's meeting with allies to discuss the Geneva Summit and, late last week blew up a control station on the NATO pipeline in western Belgium. The latter explosion occurred within a half hour of the Versailles bombing, indicating the likelihood of collaboration.
- o In **Luxembourg**, unknown persons have carried out some 14 bombings of domestic targets since April 1985, intended to discredit the government, according to Luxembourg officials.

West European authorities are particularly concerned about indications of possible low-level coordination among some of the most active West European groups, namely the German Red Army Faction, French Action Directe, and Belgian Communist Combatant Cells.

- o Since the middle of last year, these groups have conducted, more or less simultaneously, a number of attacks against NATO and defense-related targets. Some of the operations required a great deal of planning.
- o The terrorists have stated publicly that they acted in concert: Action Directe and the Red Army Faction, for example--both of which claimed responsibility for the carbombing in August at Rhein-Main Airbase--issued a joint communique in January declaring war on the "imperialist" system.
- o Both the French and West German terrorists used explosives in separate operations that came from a lot stolen from a Belgian quarry in June 1984.
- o Finally, points on the NATO pipeline in Belgium bombed by the Belgian terrorists last December had been marked on a NATO document confiscated from Red Army Faction members arrested in West Germany in the summer of 1984.

Increasingly, Middle Eastern terrorists--already responsible for about one-half of all international terrorist incidents--are conducting terrorist attacks outside the region, particularly in Western Europe.

- o Some 60 incidents which have occurred in Western Europe

so far this year have been Middle Eastern in origin.

- o The leading offenders--Palestinians, Libyans, and Lebanese--have been most active in Greece, Italy, and Cyprus. Many of their actions apparently are conducted at the behest of Middle Eastern states which support terrorism, particularly Syria, Libya, and Iran.
- o Most of the Middle Eastern-generated activity in Western Europe has not directly affected US interests, although this appears to be changing. The TWA hijacking in June, the seizing of the Achille Lauro in October, and the diversion to Malta of the Egyptian airliner last month, all resulted in US fatalities.

Page Denied

Next 6 Page(s) In Document Denied

6 December 1985

MEMORANDUM

SUBJECT: The Iranian Political Scene

1. Since late 1984, the Khomeini regime has been facing--and generally dealing effectively with--its greatest challenges since consolidating control of Iran in mid-1981. Factionalism within the regime and Khomeini's failing health, economic stagnation and dwindling oil income, war-weariness and Iraqi attacks contributed to increased domestic unrest. Popular demonstrations early this year and other signs of dissent have been ruthlessly suppressed, however, and the populace seems cowed. Moreover, Khomeini has intervened in the political process to balance factional interests and has given preference to pragmatic policies that weaken the radicals and strengthen their moderate-conservative opponents. Tehran has maintained oil exports in the face of repeated Iraqi attacks on Kharq Island and ensured that the lower classes who support clerical rule are adequately supplied with necessary goods and services. The regime's principal challenge in the near term will be to manage popular dissatisfaction and prevent it from spawning an effective anti-regime movement.

25X1

PRINCIPAL PLAYERS

2. The Iranian leadership is split by ideological, personal, and generational differences. One major faction, the radicals, favors greater government control of the economy, aggressive export of the revolution--including use of terrorism--and continuation of the war. Another main faction, a moderate/conservative coalition, seeks to limit government involvement in economic matters, generally opposes violent export of the revolution, and favors a negotiated end to the war.

25X1

3. Some of the most important Iranian leaders--such as Khomeini's recently named heir, Ayatollah Montazeri and Consultative Assembly Speaker Rafsanjani--are pragmatists who support the conservatives on some issues and the radicals on others. Khomeini himself has increasingly tended to fit this description and to support a middle course--except on the war, which he insists must continue until Iraqi President Saddam Husayn falls. Besides Khomeini, the major players are:

Pragmatists

-- Ayatollah Montazeri, a senior cleric in his sixties who has increasingly taken on important duties delegated by Khomeini. Labeled a radical in the early years of the regime, he has become a leading spokesman for more moderate policies and may be arguing for an end to the war. He has strongly criticized the USSR and the US but also has suggested publicly that renewed relations with the US are possible.

25X1

-- Assembly Speaker Rafsanjani, a mid-level cleric in his fifties who has emerged as a skilled politician and is now second only to Khomeini in power. A firm believer in tight clerical control, Rafsanjani is an ally of Montazeri, probably because he believes he can control Montazeri after Khomeini's death. He is probably more willing than Montazeri to deal with the Soviets.

-- President Khamenei, a mid-level cleric in his forties who is less politically adept than Rafsanjani but is known as an excellent speaker. He opposes Montazeri but was re-elected earlier this year with Khomeini's backing.

-- Ayatollah Meshkini, a senior cleric in his fifties or sixties who shares with Montazeri responsibility delegated by Khomeini over the Revolutionary Guard, the judiciary, and the clerical community. He is anti-Soviet, a hawk on the war, and a strong supporter of tight clerical political control. He may be a rival to Montazeri.

-- Chief of the Joint Staff Sohrabi, an Army officer in his fifties, may be a protege of the former chief, who was linked to the moderate-conservative coalition. A military professional by inclination rather than a politician, he probably is nevertheless drawn into political maneuvering because of his position.

Radicals

-- Revolutionary Guard Commander Rezai and Guard Minister Rafiq-Dust, laymen in their thirties who have longstanding ties to influential clerics, radical Arab states, and Moslem dissident groups. Recent cutbacks in the Guard's role in law enforcement and internal security may have been aimed in part at reducing their ability to influence the power struggle. One or both may be allies of Rafsanjani.

-- Heavy Industries Minister Nabavi, a layman in his forties who has been repeatedly labelled a leftist and who is an excellent manager, according to Rafsanjani. He has ties to a paramilitary group whose sympathizers hold other influential positions.

-- Deputy Foreign Minister for Political Affairs Sheikh-ol-Eslam, a Berkeley-educated layman in his thirties who was a leader of the takeover of the US Embassy and has placed his hostage-taker proteges in the Foreign Ministry. He is a strong advocate of radical foreign policy positions and has been closely linked to terrorist activities.

-- Ground Forces Commander Seyed-Shirazi, an Army officer in his forties who made his reputation fighting Kurdish dissidents in northwestern Iran and purging the Army. He has been a hawk on the war. He may have ties to Montazeri.

Moderates/Conservatives

-- The aged "Grand" Ayatollahs--Shariat-Madari, Golpayegani, Marashi-Najafi, Qomi--who have great religious stature but are philosophically opposed to playing a sustained or leading role in any power struggle. Their influence is felt indirectly through their former students, some of whom hold important posts, and through their supporters in the bazaar.

-- Ayatollah Mahdavi-Kani, a senior cleric in his fifties who leads an important clerical group based in Tehran and has held several important government posts. He has strong ties to the regime's paramilitary forces. Mohadavi-Kani has been repeatedly identified as an advocate of moderate policies who wants less clerical involvement in daily government.

-- Ayatollah Musavi-Ardebili, a senior cleric in his fifties who heads the judicial wing of the government. He advocated moderate domestic policies behind the scenes until the last two years, when he has adopted a much more public role.

-- Foreign Minister Velayati, a layman in his forties, who is typical of the talented technocrats working to create a less radical regime. He has repeatedly been mentioned as a leading candidate to become prime minister.

25X1
25X1

OPPOSITION

4. Exiled opponents of the regime lack sufficient assets to exploit its problems. They have no leader or program capable of challenging Khomeini's charisma and ideology. Exile groups are further limited by restricted contacts inside Iran, minimal popular support, and constant bickering among themselves.

25X1

5. The most effective opposition to the radical elements of the clerical regime comes from the moderate/conservative coalition within the government. Other domestic interest groups that are potential threats to any form of clerical government include:

-- Labor. The government seems to have effectively quashed overt labor unrest that emerged late last year in coordinated anti-regime actions throughout Iran, but worker dissatisfaction could help to crystallize broader war-weariness and resentment over the continued decline of the economy.

-- Armed Forces. The regime has repeatedly uncovered coup plots and purged the regular armed forces, but it still suspects their loyalty. Khomeini announced in September that the regular forces would be merged with the Revolutionary Guard, which more strongly supports the Islamic republic. The Guard itself is also suspect, however, as indicated by the recent cutbacks in its internal security role, Khomeini's repeated orders to Guard members to stay out of politics, and rumors of a recent plot that included Guard elements. All factions of the regime recognize that control of the armed forces--and even more so, the Guard--may be crucial in the power struggle and are cultivating contacts within them.

-- Radical Technocrats. These generally young, often Western-trained Iranians play a key role in the administration of Islamic rule, but many are opportunists who resent the prominence of the clerics and hope eventually to replace them with a "progressive,"--i.e. radical--lay government.

We believe all the leaders of the above interest groups are more likely to be willing to deal with the USSR and its allies than are the clerics. A more anti-Soviet stance is evident among:

[redacted]

-- Bazaar Merchants. Pious merchants were a financial mainstay of the anti-Shah movement. Most remain close to the moderate-conservative coalition and want less clerical involvement in politics. Distressed by radical economic policies, they helped to elect a less radical majority in parliamentary elections last year. The merchants generally support the regime's imposition of Islamic mores, but they want to strengthen economic ties with the West. [redacted]

25X1

Page Denied

Next 6 Page(s) In Document Denied